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No Labels likely to back off if DeSantis emerges as nominee

The centrist group considers under what conditions it would drop a third-party bid.

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The senator's standoff scrambles Marines' leadership change.

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Biden's debt deal paves the way for the next financial mess

A ratings cut could shake confidence in the world's premier debt market, send tremors through stocks and accelerate the tightening of credit conditions.

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TRUMP PLEADS NOT GUILTY

He was booked in Miami and appeared in court | First former president to face federal charges | Trump's second indictment in just over 10 weeks

BY KYLE CHENEY, JOSH GERSTEIN AND ANDREW ATTERBURY

MIAMI – Former President Donald Trump pleaded not guilty Tuesday to federal criminal charges that he hoarded classified military secrets at his estate in Mar-a-Lago and hindered the government's attempts to get the documents back.

"Your honor, we most certainly enter a plea of not guilty," Trump's lawyer Todd Blanche told the federal magistrate judge who presided over Trump's 48-minute arraignment.

After the hearing, Trump was released on his own recognizance. Prosecutors did not ask for any significant pretrial conditions, such as restrictions on his travel or the surrender of his passport. The magistrate judge, Jonathan Goodman, did order Trump not to discuss the case with potential witnesses outside the presence of his lawyers.

Trump faces 37 felony charges: 31 counts of willful retention of national security records and six counts for allegedly obstructing the federal effort to recover those documents. It is the first time in American history that a former president has been indicted by the government he once led.

Trump, who wore a blue suit and red tie, remained stoic throughout the proceeding, largely keeping his

TRUMP on Page 10

ALON SKUY/GETTY IMAGES

Former President Donald Trump on Tuesday waves as he visits a Cuban restaurant in Miami after his arraignment. Trump suggested on social media — without evidence — that investigators planted evidence in his home.

The Senate GOP's quiet but mighty Trump skeptics

BY BURGESS EVERETT

Squint hard, and you might just see the outlines of an anti-Donald Trump coalition forming in the Senate GOP.

It started coming together well before the former president's latest indictment, when seven Republican senators voted to convict after his second impeachment trial. Now as the party's 2024 primary field is nearly set, Republican discomfort with Trump is coming more into focus.

Trump leads the field in Senate GOP endorsements, with 10 officially on board and potentially more on the way. But some Republican senators are quietly making moves: Four have endorsed non-Trump candidates, a couple more say they want a different nominee, several others grimace when asked about his electoral prospects and even some staunch defenders are staying formally neutral so far.

That includes Sen. Mike Braun of Indiana, a longtime Trump ally who — as of now — will say only that "I've endorsed his policies."

REPUBLICANS on Page 11

McCarthy's conservative rebels struggle with next steps

BY JORDAIN CARNEY AND SARAH FERRIS

Conservative hard-liners are already agitating for their next fight with Speaker Kevin McCarthy over hundreds of billions of dollars in spending cuts. Beyond that, though, they don't know exactly what they want from him.

The murkiness emerged hours after they reached an agreement with GOP leaders to reopen the House floor that they had held hostage for days. A few blocks from the Capitol, most of the 11 Republicans behind the blockade huddled with their allies to haggle over a core question: What's next?

"We're meeting, trying to figure it out," Pennsylvania Rep. Scott Perry, chair of the Trump-aligned House Freedom Caucus, said in a brief interview when asked that same question. He described this fall's government funding debate as "front and center" for conservatives, as it "should be."

But while the group clearly wants to drive down federal spending, it still hasn't settled on a strategy to get there or what else to push for. That uncertainty lies at the heart of House Republicans' often-chaotic state: McCarthy's biggest skeptics on the right are happy to use hardball tactics in their slim majority, even if it hurts the party's priorities, yet their lack of clear demands make it nearly impossible for leadership to satisfy them — or for the resisters to wield their influence toward a clear endgame.

Overplaying their hand could also backfire on the hard-liners, whose colleagues are starting to publicly fume that a handful of Republicans is torpedoing party

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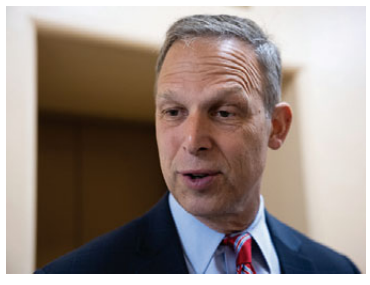

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Pennsylvania Rep. Scott Perry described this fall's government funding debate as "front and center" for conservatives, as it "should be."

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Biden to campaign, DNC on Trump: 'Mum's the word'

Some allies see missed opportunity, while GOP accuses Biden of weaponizing DOJ

MANUEL BALCE CENETA/AP

President Joe Biden has ordered his aides, and the Democratic Party generally, not to comment on DOJ's criminal indictment of former President Donald Trump. Meanwhile, the president himself anxiously awaits word on whether the department will file charges against his son Hunter.

BY JONATHAN LEMIRE

President Joe Biden and his top aides have taken a vow of silence on the federal indictment of his predecessor, Donald Trump — and have explicitly ordered the national Democratic Party and his reelection campaign to do the same.

That directive was issued in recent days after Trump was hit with federal charges for his handling of classified documents after he left the White House, according to three people familiar with the instructions. But that decision has some Democrats and allies worried that Biden could miss a chance to underscore the seriousness of the national moment as well as deliver a political blow to his top White House rival.

Biden declared at the start of his presidency that he would not discuss Department of Justice investigations, particularly those about the former president, and he remained tight-lipped when Trump was arraigned Tuesday in a Florida courthouse.

Some in his inner circle hope the decision will be revisited if next year's general election looks like it could be a rematch with Trump, even if the legal fight has not been resolved by then. As the president's advisers chart a court for the campaign to come, they are aware that continued silence about the charges facing Trump would deprive Biden's reelection effort of a potent political weapon.

The number of criminal cases Trump faces are growing and could soon include charges of election interference and inciting the Jan. 6 riot. Those acts make up much of Biden's long standing case that Trump poses unique threats to American democracy, and there could eventually be a move to allow surrogates and leading Democrats, even if not the president himself, to squarely address the criminal charges.

But Biden to this point has been explicit: The entities that the White House controls, which include the reelection campaign and the Democratic National Committee, are not to publicly discuss any of the criminal investigations into Trump. Those closest to the president are deeply wary of any perception that Biden is trying to influence the investigations.

"I have never once — not one single time — suggested to the Justice Department what they should do or not do, relative to bringing a charge or not bringing a charge," Biden told reporters Thursday. "I'm honest."

Some left-leaning groups outside Biden's control have already commissioned ads about Trump's legal woes, which Democratic officials believe helps do the dirty work for them. And first lady Jill Biden did venture a public comment, bemoaning the Republicans standing by Trump in the face of the indictment.

"My heart feels so broken by a lot of the headlines that we see on the news," she told donors at a fundraiser Monday night in New York. "Like I just saw, when I was on my plane, it said 61 percent of Republicans are going to vote, they would vote for Trump."

"They don't care about the indictment. So that's a little shocking, I think," she added.

But those groups and the first lady have a more limited reach than the party's political apparatuses and the president himself. Biden has privately told aides that he is disgusted by Trump's behavior but is adhering to his promise that the Department of Justice would have independence from the White House. The DNC, meanwhile, has advised members of Congress seeking guidance on what to say that they should not comment on the Trump probes if they are speaking publicly in their role as Biden campaign surrogates.

> **"I have never once — not one single time — suggested to the Justice Department what they should do or not do, relative to bringing a charge or not bringing a charge."**
>
> **— President Joe Biden**

While Biden has framed his stance as in line with longstanding tradition, it is not uncommon for presidents to occasionally weigh in on ongoing criminal investigations. Biden has at times done so himself — including weighing in before the verdict was announced in the 2021 trial of the white Minneapolis police officer who killed George Floyd.

Some people in Biden's orbit believe that the moment calls for his imprimatur, outlining for the nation the gravity of a former president facing charges in a federal court. Others believe it would be political malpractice to not make Trump's woes a campaign issue and privately said that they wish the president's campaign would take on the issue directly.

They argue that the charges connected to Trump's alleged reckless mishandling of some of the United States' top secrets shows that he is unfit for the job. And they believe that both the ongoing Jan. 6 and Georgia election interference probes illuminate their central campaign arguments.

"It's a pretty easy argument to make," said one senior Democrat not authorized to publicly discuss private conversations. "Vote for our guy, because the other guy is going to jail."

There is a possibility that the decision could be revisited next year, multiple people close to the process said this week. One option being bandied about is that while Biden would maintain his silence on the Trump investigations, other top Democrats and surrogates would take up the argument. But even that — which aides warn may never happen — would likely not occur for months, perhaps after a possible conviction, or after Trump has clinched the GOP nomination. And advisers acknowledge that Biden himself may need to weigh in at a moment when it would be impossible not to comment, like a potential general election debate against Trump.

Some aides also think that if Trump were to be charged for his actions on Jan. 6, Biden would feel comfortable enough talking about the tragedy of that day without linking it to any crimes allegedly committed by his predecessor. Other Democrats believe the current silent treatment is the right approach — and don't want to inadvertently get in the way of a bad Trump news cycle.

"The Justice Department needs to be able to make its prosecutorial decisions independent of influence from any administration," Sen. Elizabeth Warren (D-Mass.) said to POLITICO on Tuesday. "Donald Trump tried to use the Justice Department as a political tool. Joe Biden has said he absolutely will not do that, and I respect that."

Those close to the president also acknowledge a particular sensitivity at the moment on matters related to the Department of Justice, which is believed to be nearing a charging decision in its investigation into Biden's son. Hunter Biden is being probed for alleged tax crimes and a potentially illegal purchase of a firearm. While the president has maintained his public silence on the case — other than to offer support for his son — he has privately expressed frustration at the length of the investigation and worries about the outcome of the probe, according to two people close to him.

While Biden has tried to maintain a distance from DOJ affairs, Republicans have been hammering at the talking point that he is using his Department of Justice to investigate his top political rival ahead of 2024.

"The Biden Administration continues to egregiously weaponize the federal government against Joe Biden's top political opponent," said Rep. Elise Stefanik (R-N.Y.), a member of the House GOP leadership, at a House Republican news conference Tuesday. "The unequal application of justice by Joe Biden's DOJ must be stopped. There cannot be one set of rules if your last name is Biden or Clinton and another set of rules for everyone else."

Those supporting or working on Biden's reelection ultimately believe they have other compelling arguments to make beyond pointing to Trump's legal troubles. They believe the president's week provides an advantageous split screen set nicely against the backdrop of chaos that has descended upon the Republican-controlled House after nearly a dozen far-right members rebelled against Speaker Kevin McCarthy.

The president will hit a lot of key 2024 issues, including civil rights, environmental causes, the GOP tax plan and gun regulations, as well as appear with Vice President Kamala Harris at a rally with union workers Saturday in Philadelphia.

The White House, Biden campaign and the Democratic National Committee all, fittingly, declined to comment.

***Jennifer Haberkorn, Adam Cancryn** and **Holly Otterbein** contributed to this report.*

46 FORTY SIX
A daily diary of the Biden presidency

Biden rushes replacement armored vehicles to Ukraine after battlefield losses

The Biden administration is rushing more armored vehicles to Ukraine as the country's forces suffer some early losses in the early thrusts of its counteroffensive against Russia.

The $325 million drawdown of U.S. military stocks announced Tuesday will also pump artillery shells and air defense missiles into the fight, in addition to sending 15 Bradley fighting vehicles to Ukraine after a similar number was lost recently in heavy fighting.

The latest package — the 40th since the start of the war — also includes 10 Stryker infantry carriers to add to the 90 already sent. The Army has supplied over 100 Bradleys to Ukraine, and has trained Ukrainians to use both vehicles.

By attacking through minefields while under Russian artillery fire, the Ukrainian army has already lost at least 16 Bradleys and four Leopard tanks, open source intelligence project Oryx has reported. Kyiv does not provide official numbers for battlefield losses.

NATO countries have trained tens of thousands of Ukrainian troops over the past year, many of whom are now being thrown into the fight across a vast swath of territory across hundreds of miles of front lines. Some of those units are equipped with the U.S.-made Bradleys and Strykers, and other with German-made Leopard tanks.

The Pentagon has pledged 31 Abrams tanks, but the Ukrainians are still training on them in Poland, and they won't appear on the battlefield for months.

ANDREW CABALLERO-REYNOLDS/AFP VIA GETTY IMAGES

Biden meets NATO chief

President Joe Biden meets with NATO Secretary-General Jens Stoltenberg in the Oval Office on Tuesday. The two leaders reiterated that the alliance is united in defending Ukraine for as long as it takes to fight off Russian forces. But neither offered clarity about the unsettled question of who will lead the alliance after Stoltenberg departs later this year. [We've] "made it clear we'll defend every inch of NATO territory," Biden said.

Unlike the surprise lightning offensive that took back hundreds of miles of territory in the fall, Kyiv has downplayed some Western expectations for this latest thrust, with well-entrenched Russian forces awaiting them entrenched behind vast minefields.

"It's going to be a slow roll," Rep. Mike Waltz (R-Fla.) said. "I can tell you as a former armor officer, breaking those types of trenches and defensive lines is incredibly costly and difficult. If they do it correctly, they'll save the Western-provided tanks for the breakthrough."

The Ukrainians "are making progress," NATO chief Jens Stoltenberg said Tuesday during an Oval Office visit with President Joe Biden. "The more land the Ukrainians are able to liberate, the stronger hand they will have at the negotiating table," he said.

More aid will soon be on the way, as Defense Secretary Lloyd Austin and Joint Chiefs Chair Gen. Mark Milley are en route to Germany for the next Ukraine Defense Contact Group and NATO defense ministerial meetings this week.

High on the agenda will be sustainment for the tanks and heavy armor Western allies have sent Ukraine, as the war grinds on and as Kyiv's forces will need help in repairing battle-damaged equipment this summer.

The Ukrainian government is eager to begin working with the U.S. and European defense industries to establish maintenance facilities either in Ukraine or in nearby Poland.

"Several of our European counterparts have pre-existing relationships with Ukrainian industry," said one Defense Department official, who was granted anonymity to speak to internal discussions. "I've talked to several European companies and they're leveraging that and making plans for going forward."

Long-term sustainment is one of the working groups established under the Ukraine Defense Contact Group meetings and it is "the most active working group right now," the official said.

— Paul McLeary with Joe Gould

In the Senate, Biden's spy pitch falls on deaf ears

The Biden administration's latest bid to convince lawmakers to renew a soon-to-expire foreign surveillance power without significant new privacy safeguards is off to a rough start.

The problem? The administration keeps trying to show lawmakers the value of the spy tool, while Congress is fixated on cleaning up the repeated abuses that have occurred under it.

"I will only support the reauthorization of Section 702 of Foreign Intelligence Surveillance Act if there are significant reforms," Sen. Dick Durbin, chair of the Senate Judiciary Committee, said Tuesday during a panel hearing on oversight of the program.

The law allows U.S. spy agencies to collect the text, email and other digital communications of foreigners located abroad. But a series of recently documented abuses involving Americans whose data has been swept up into the program has led both Republicans and Democrats to push for sweeping changes ahead of the statute's year-end expiration date.

"I have raised significant concerns in hearing after hearing after hearing about FISA and its shocking disregard for Americans' constitutional rights and civil liberties," Sen. Mike Lee (R-Utah) said at the hearing.

And year after year, Lee continued, he gets the same dismissive answer from the intelligence community: "These are not the droids you're looking for."

The hearing before the Senate Judiciary Committee represents a key step in the administration's effort to dissuade Congress from making major changes to the surveillance tool. The committee shares jurisdiction over the law with the Senate Intelligence panel, meaning it is likely to play a strong role in any effort to reup it.

Witnesses representing the Justice Department, FBI, CIA, NSA and Office of the Director of National Intelligence dedicated much of their testimony Tuesday to arguing that the surveillance program is vital to U.S. national security.

"The information the CIA derives from FISA Section 702 collection is quite simply indispensable," said David Cohen, deputy director of the CIA.

"Without it our ability to preserve the nation's security will be significantly impaired," added George Barnes, the deputy director of the NSA.

The officials also sought to buttress their case by declassifying new information about how the program has played a central role in thwarting drug trafficking and foreign cyberattacks.

But lawmakers on the panel were far more concerned about the privacy abuses that have occurred under the law — the vast majority of which concern the FBI's ability to warrantlessly sift through data collected under the program for information on Americans.

"I've been a constant supporter of 702, and it's very frustrating years into the process to have these errors," said Sen. Sheldon Whitehouse (D-R.I.).

Many of the abuses discussed Tuesday occurred prior to the FBI's implementing a series of new compliance fixes in 2021 — a point administration officials were quick to note.

The administration is prepared to codify those changes into law, said FBI deputy director Paul Abbate. The measures, which include basic steps like requiring FBI officials to opt-in to searches within the database, have led to steep decline in those controversial searches, according to intelligence community oversight reports declassified in April.

Abbate also revealed at the hearing that the FBI is instituting two further reforms: a three-strike policy to discourage officers from conducting needless searches in the database, and a framework for incorporating FISA oversight into senior officials' performance reviews.

But most lawmakers on the panel expressed interest in more sweeping reforms, above all a warrant requirement to limit the FBI's ability to search through the 702 database for information on Americans.

"We've got an opportunity this year to make reforms, and we must do it," Lee, a supporter of the warrant requirement, said Tuesday. Durbin added: "I've got to see more" than internal FBI compliance fixes, and said his support for the program is contingent on the warrant.

The administration witnesses Tuesday tried — but evidently failed — to persuade lawmakers that'd be an unwise change.

"Unduly limiting the FBI's ability to access lawfully collected information ... will set us back decades," DOJ assistant attorney general Matt Olsen said. The warrant, he added, "would put the nation at grave risk."

— John Sakellariadis

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Ex-FBI official details DOJ debate before Trump search

'Everyday discussion' over how to search Mar-a-Lago caused 'consternation'

BY BETSY WOODRUFF SWAN

In a closed-door congressional interview last week, the official who led the FBI's Washington Field Office at the time of its Mar-a-Lago search detailed a disagreement between bureau and Justice Department officials over how to recover sensitive papers that former President Donald Trump held onto after leaving office.

Steven D'Antuono, who left his FBI post late last year for the private sector, outlined the FBI-DOJ dispute during a private interview last week with the House Judiciary Committee, calling it "an everyday discussion" that nonetheless created "consternation" among law enforcement officials involved in the planning and execution of the Mar-a-Lago search. POLITICO reviewed portions of the transcript, which has not been released in full.

During his conversation with committee aides, D'Antuono said DOJ wanted FBI agents to immediately use a search warrant to seize documents from Mar-a-Lago, worried that any classified papers there could fall into the wrong hands. But D'Antuono's team at the FBI's Washington Field Office wanted to seek Trump's permission, through the former president's attorneys, to search the club — pointing out that Trump didn't even spend his summers at Mar-a-Lago.

"We made comments like this — like, 'no one is down there anyway at this point,' right," D'Antuono said in the interview. "It's empty. The [former] president is gone. He was in Bedminster, or wherever he was. Let's plan this the right way. We've got time."

DOJ officials, however, feared that if Trump's team were asked once more to turn over any remaining classified documents, those documents might disappear. So the FBI laid out a plan to surveil Mar-a-Lago in case there were signs of Trump's team taking any of the disputed papers offsite, according to D'Antuono.

FBI officials "had a plan in place to have surveillance around if we needed to," he said in the interview. "Again, no one was there. So if they brought in — they meaning the [former] president's, you know, people — brought in a big box truck, we would see it, right, and we would have the search warrant in hand and be able to act at that point."

SARAH SILBERGER/AFP VIA GETTY IMAGES

Steven D'Antuono, who led the FBI's Washington field office during the search of Donald Trump's Mar-a-Lago Club, described in a House Judiciary Committee interview how the DOJ prevailed in a debate with the bureau over how to search Mar-a-Lago. DOJ advocated a more aggressive approach.

Trump's retention of those same sensitive documents is now at the heart of the 37-count federal felony indictment against him that was unsealed on Friday, two days after D'Antuono's congressional interview. According to the indictment, Trump kept a trove of highly sensitive materials, including documents about overseas nuclear holdings and military plans, at his Florida club.

"There was consternation from both sides" ahead of the Mar-a-Lago search, D'Antuono told the judiciary panel. "DOJ wants stuff. We were pushing back. That's the beauty of our system, right. It's like, that's the judicial system in a sense."

He made clear, though, that the back-and-forth was "not a showdown" but merely a "general discussion."

"So if somebody took it the other way, I'm sorry, but that's — that was just the general discussion that we would have in every case. Every case," D'Antuono added.

Ultimately, DOJ won out: On Aug. 8, 2022, the FBI searched the former president's club and recovered reams of documents marked classified. That day, Trump himself was away from Mar-a-Lago. For the FBI, that was a big plus.

In fact, D'Antuono acknowledged to committee interviewers he grappled with the potential risk the Mar-a-Lago search posed to the bureau's reputation.

"Who wants the subject of the search present at any search you do?" D'Antuono said. "You don't normally want that, right. It just makes it easier and less of a spectacle at that point. And honestly, I didn't want the spectacle for obvious reasons of why we're sitting here today. ... It's a reputational risk, right, and that's the way I looked at it from the Bureau."

Reached for this story, D'Antuono said he preferred not to comment. A DOJ spokesperson declined to comment.

Hundreds of Trump supporters gather at the Miami courthouse

BY ANDREW ATTERBURY

MIAMI – Hundreds of mostly Donald Trump backers gathered at the federal courthouse in Miami on Tuesday as Trump arrived, leading chants and waving flags on behalf of the embattled former president.

The crowd grew from a few dozen earlier in the day to at least several hundred. They gathered in front of the courthouse, along the streets and cheered when the president arrived via motorcade around 2 p.m.

When Trump's extensive motorcade arrived, a man wearing a mock prison jumpsuit with a "lock him up" sign walked into the blocked-off street toward the vehicles. The man, who earlier in the day was part of a loud standoff against Trump supporters, was briskly pushed out of the road by police and onto the sidewalk where media and onlookers gathered.

Some Trump opponents verbally sparred with his supporters earlier in the day, with some shouting "No one is above the law" as Trump supporters responded, "Except Trump!" But, with a large police presence at the courthouse, there was no violence or outright unruly behavior.

Several avid Trump fans started verbally attacking Florida GOP Gov. Ron DeSantis, Trump's main rival for the Republican presidential nomination, yelling "Where is Ron?" and "F— DeSantis."

City officials and police previously said they were able to handle hundreds if not thousands of protesters who could converge onto the federal courthouse ahead of Trump's 3 p.m. scheduled court time.

The scene outside the courthouse also took on a carnival atmosphere, with vendors selling Trump merchandise including cut-out masks of his face and "not guilty" shirts as tourists and locals gawked at the spectacle. One man draped in an American flag also walked around with a pig's head impaled on a stick.

At around 11:30 a.m., authorities closed off the street in front of the courthouse because people were beginning to spill into the street but they reopened it shortly afterward.

At one point, authorities closed a street outside the courthouse as city and federal officers investigated a flat-screen television with exposed wires that had been placed on the sidewalk, local media reported. The street was opened within an hour after no danger was found.

Trump faces a 37-count indictment accusing him of mishandling a trove of classified material. He is the first former president to face criminal charges.

Miami police and city officials on Monday sought to reassure the public that they were able to handle up to 50,000 demonstrators, though it's unclear exactly how many people will show up.

Trump supporters, such as former GOP Arizona gubernatorial hopeful Kari Lake and conservative activist Laura Loomer earlier in the week urged people to come to downtown Miami and speak out on behalf of the former president. At least one pro-Trump group put out information about busing people from Central Florida to the Miami courthouse.

POLITICO

Huddle

The play-by-play guide to all things Capitol Hill.

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How one of Trump's favorite judges can help his case

Federal judges have broad power to control the direction and pace of cases before them

BY KYLE CHENEY AND JOSH GERSTEIN

WIN MCNAMEE/GETTY IMAGES

Donald Trump arrives in Miami to be arraigned in the classified documents case. Random selection assigned it to Trump-appointed Judge Aileen Cannon, whose rulings in the case's first stages were overturned on appeal.

Donald Trump seemed to win the judicial lottery when his newest criminal case — a 37-count indictment for hoarding classified documents and obstructing a grand jury probe — landed before U.S. District Court Judge Aileen Cannon.

Cannon, a Trump appointee confirmed to the federal bench just days after Trump lost his reelection bid, ruled deferentially for Trump last summer when he contested the FBI's seizure of some of those very documents. Legal experts described Cannon's pro-Trump rulings at the time as audacious and even lawless, and a conservative appeals court panel (which itself consisted of two other Trump appointees) quickly overruled her.

Now, Cannon will be in an even more powerful position to steer Trump's legal fortunes. After special counsel Jack Smith obtained an indictment in the Southern District of Florida, about seven active judges in the district appeared eligible to preside over the case. In an apparently random twist of fate, the court's computerized assignment system allocated the case to Cannon.

She did not handle Trump's initial court appearance Tuesday; that took place in front of a U.S. magistrate judge. But Cannon is expected to have control of the case in the weeks and months ahead (unless she heeds the calls of some ethics experts who are already saying she should step aside).

As the presiding judge, she will resolve an array of pretrial disputes on everything from the admissibility of evidence to jury selection procedures to the timing of a trial to the validity of the case itself. Here's a look at the key issues that will be in Cannon's purview, any of which could become decisive in the first-ever federal prosecution of a former president.

The pace of the case

Cannon can decide how quickly or slowly to move proceedings along — with the key benchmark being whether a trial can conceivably take place ahead of the 2024 election. One of the earliest decisions she'll make is to ballpark a trial date and set a rough schedule for future proceedings.

If prosecutors seek a "speedy trial" — as Smith pledged to pursue last week — and Trump asks for a significantly longer windup, Cannon can determine which side the schedule will favor.

"As the trial judge, she has almost unfettered discretion on how to operate her courtroom, schedule deadlines, hear arguments and obviously enter rulings, many of which, given the nature of this case, can't be immediately appealed," said Mark Zaid, a veteran national security lawyer. "There are so many 'little' things she can do without any real oversight that can have significant substantive impact on how this prosecution plays out."

Looming over it all is the 2024 presidential election, in which Trump expects to be on the ballot. If he were to win the presidential election while his trial remains pending, he could be in a position to influence his own legal fortunes upon taking office, through an unprecedented self-pardon or naming an attorney general who would drop the case.

But a trial this complicated, by nature, could take a year or more to get underway, given the complexity of the evidence, the volume of classified material and the mountain of pretrial motions both sides are likely to file about what evidence should be included or barred.

Steve Ryan, a veteran criminal defense attorney, said Cannon is going to have to show she can control her courtroom and keep the lawyers on track — particularly after the perception of her handling of Trump's case last year.

"I think of John Sirica, who handled the circus of Watergate," Ryan said. "He had that sort of a temperament … You have to listen courteously, but at the end of the day, you have to keep control of your courtroom, get this case to trial as quickly as is fair."

Jury selection

This is perhaps the most significant part of the trial in a case this extraordinary. The prospect of finding 16 or more people — federal juries typically include 12 jurors and four alternates — who can set aside political feelings about Trump to render an impartial verdict is already a Herculean task.

Cannon will set out a process to help vet what is certain to be an enormous jury pool, a process that could include multiple rounds of questionnaires, in-person questioning known as "voir dire" and a chance for both parties to exercise "peremptory strikes" — unilaterally removing a predetermined number of jurors they have misgivings about.

"Voir dire is really a big one, because the judge makes decisions about which jurors are dismissed for cause, and if that is done in a one-sided way, it can really put the prosecution in a bind," said Joyce Vance, a former U.S. attorney from Alabama. "It can force them to spend all of their strikes on prospective jurors, who really should have gone for cause."

In high-profile criminal cases related to the Jan. 6 attack on the Capitol, jury selection has taken a week or more, with both parties laboring to whittle down hundreds of candidates into a smaller pool of potential jurors who pledge to sit in impartial judgment.

Jan. 6, of course, was in many ways about Trump himself, and lawyers in those cases pressed potential jurors about their views of the former president and whether they could fairly judge the evidence in a case against those who fiercely backed Trump's bid to subvert the election. In a criminal case against Trump, finding a jury whose views won't cloud the verdict could be an even taller order.

Pretrial motions

Trump's defense may hinge on keeping out reams of evidence the government has amassed or kicking up dirt at the prosecution and how the case was investigated prior to the indictment. Cannon will have the first crack at ruling on Trump's claims of selective prosecution or prosecutorial misconduct related to the search of his Mar-a-Lago Club. Trump is also certain to seek to exclude evidence obtained from his attorney, Evan Corcoran, after a Washington, D.C., federal judge's decision to pierce Trump's attorney-client privilege under the so-called crime-fraud exception.

"If she were to grant a motion to suppress the evidence obtained in the search, for example, that would really gut the case," said Barb McQuade, a former U.S. attorney from Eastern Michigan. "Similarly, she could suppress the testimony of Evan Corcoran, making her own independent decision that the crime-fraud exception does not apply in this case."

Notably, the Justice Department can appeal unfavorable pretrial motions, but doing so would also come with a cost: Delay. Any appeal could take days or weeks to resolve and conflict with the government's attempt to bring the matter to trial quickly.

Admissible evidence

Even in a run-of-the-mill criminal matter, the process of evidence-sharing among parties can be a fraught and decisive early phase. Here, with every syllable under intense scrutiny, Cannon's decisions on the so-called discovery process could be paramount.

She'll have to decide what evidence Trump is entitled to receive from the government — what will fulfill prosecutors' obligation for Trump to see the case arrayed against him to help him prepare a full defense. And then she'll have to decide which of that large cache of evidence is actually admissible in trial.

"Letting evidence in, keeping evidence out. That ability to control the evidence presented to a jury is a powerful tool for any judge," said Gene Rossi, a former Justice Department criminal and civil attorney who has tried 90 jury trials.

In addition to setting the parameters of the evidence she allows, Cannon will have to dispense with what is sure to be a massive set of pretrial motions — particularly from Trump, who's likely to raise every argument his lawyers can imagine to try to weaken, or delay, the prosecution's case.

Classified information

Unlike most criminal prosecutions, the Justice Department's case against Trump rests on an extraordinary amount of classified material, some of which implicates the most sensitive secrets the government possesses. Trump, who is facing 31 counts of "willfully retaining" military secrets, is sure to demand as much declassification of that material as possible as he defends himself. Prosecutors — in consultation with intelligence agencies and other parts of the federal government — have to make tradeoffs about what they're willing to disclose and what would present too great a risk to national security.

The will be "lots of litigation, lots of hearings, sealed proceedings, lots of back and forth with the intelligence community and the affected agencies," said John Barrett, a St. John's University law professor who worked as associate independent counsel during the Iran-Contra prosecutions, which also involved voluminous classified information.

Barrett said it's conceivable that the intelligence community has already agreed to declassify the 31 documents in question — not necessarily because they have no national security value but because their value may already have been compromised or because they view deterrence as an equally significant goal.

Rule 29 acquittal

Like all federal judges, Cannon has the discretion to grant Trump an acquittal on any of the 37 counts he faces — or on all of them — at the conclusion of the government's case or after any defense Trump's lawyers may put on. Such a ruling — under Rule 29 of the Federal Rules of Criminal Procedure — would amount to the judge's declaration that the government failed to prove a key element or elements of its case and that no reasonable jury could find the former president guilty based on the evidence presented.

Defense motions under Rule 29 are routine, but judges rarely throw out an entire case under this mechanism. What makes the trial judge's power on such motions particularly weighty is that it is unreviewable. There's no appeal for the government against an acquittal during the trial. Some judges "reserve" on the motion until the trial is complete, which makes the question moot if the defendant is acquitted by the jury. If Cannon grants Trump's acquittal motion after a jury votes to convict, then the government could appeal.

Sentencing

Should the case reach the sentencing phase, Cannon will be responsible for fashioning a just sentence. Federal judges are required to consider a variety of factors when they issue sentences, including the "nature and circumstances" of the offense, the history and characteristics of the defendant and the need to deter future crimes.

But perhaps the most significant sentencing factors in this case will be avoiding unwarranted sentencing disparities. While no former president has been charged or convicted of a federal criminal offense, many people have faced prosecution under the Espionage Act and for obstruction of justice, and many have served significant sentences for those crimes. Cannon would be required to consider all of those factors to determine an appropriate sentence.

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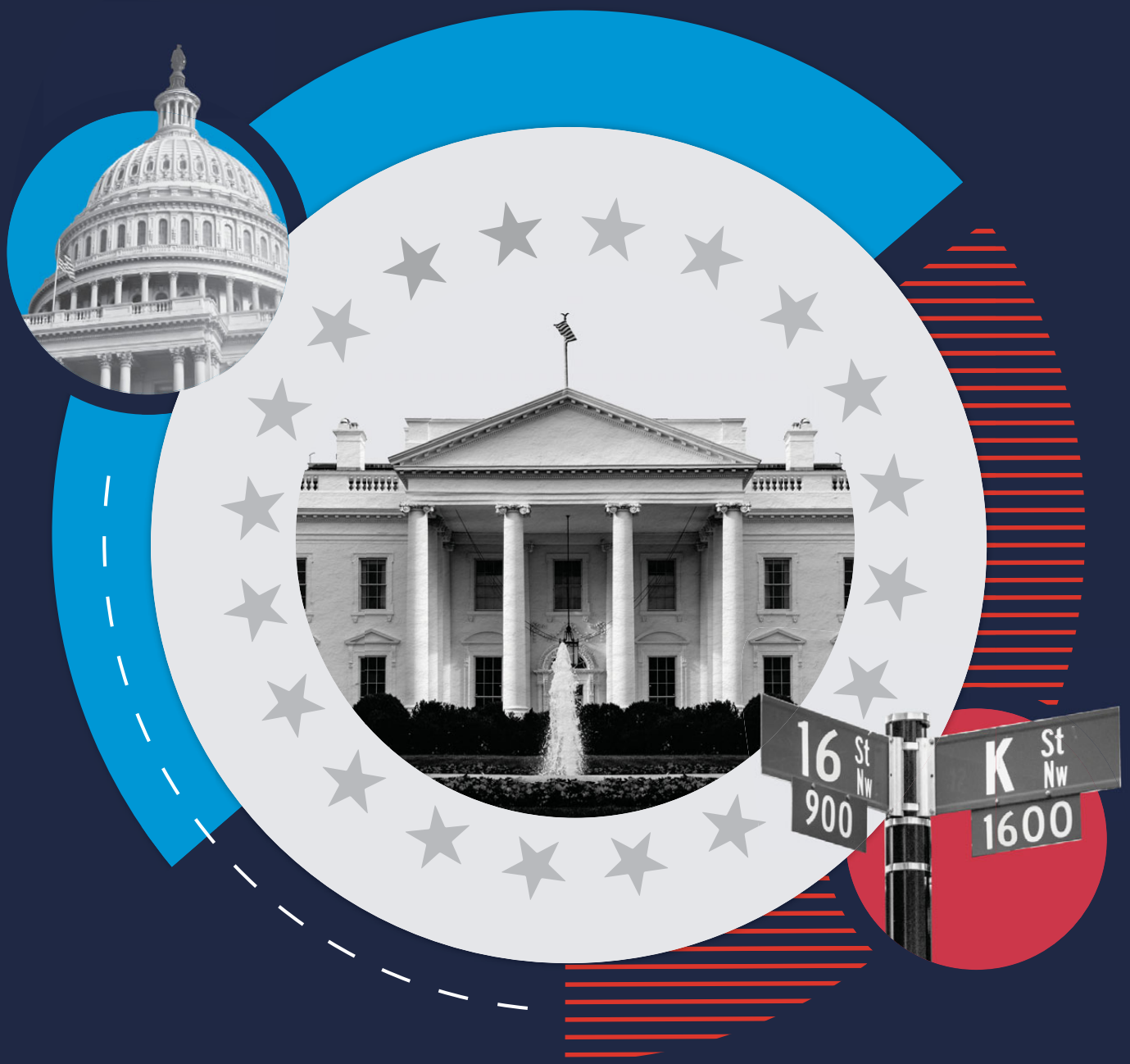
Playbook



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Trump, Nauta released on their own recognizance

TRUMP from Page 1

ALEX BRANDON/AP

Former President Donald Trump greets supporters at the Versailles restaurant in Miami on Tuesday, after he was arraigned in federal court on 37 counts of illegally hoarding classified documents, resisting the Justice Department's efforts to retrieve the records and lying to federal agents.

gaze fixed toward the front of the courtroom and his arms folded. He did not speak to the magistrate judge. Only about 10 members of the public were granted access to the proceeding, with most of the courtroom's seats occupied by members of the media and Trump's Secret Service detail.

The session began with a bout of eerie silence, as Trump and the lawyers awaited the start of the proceeding. Trump was flanked on his left by Christopher Kise, the prominent Florida-based lawyer he tapped to join his legal team last year, and on his right by Blanche, a New York white-collar defense attorney who joined Trump's team in April. Next to Blanche was Trump's longtime valet and now co-defendant, Walt Nauta, who was seated next to his own attorney, Stanley Woodward.

The prosecution table included attorneys David Harbach, a veteran Justice Department lawyer and longtime ally of special counsel Jack Smith, as well as counterintelligence chief Jay Bratt and his deputy Julie Edelstein.

For Trump, the arraignment was the latest inflection point in his growing legal troubles. Just 10 weeks ago, Manhattan prosecutors charged Trump with 34 felonies under New York law for allegedly falsifying business records in connection with hush money payments to a porn star.

Trump now faces parallel criminal prosecutions — not to mention his role in 2020 election interference — as he mounts his bid to regain the White House in 2024.

If found guilty in the documents case, Trump could face a lengthy prison term.

Shortly after Trump arrived at the Wilkie D. Ferguson Jr. federal courthouse on Tuesday afternoon, authorities booked Trump and Nauta as criminal defendants. Nauta is accused of conspiring with Trump to obstruct the grand jury investigation into his alleged retention of highly classified military secrets. Nauta faces six felony counts. He did not enter a plea on Tuesday because he had not yet retained local counsel, and he was released on his own recognizance.

For most of the arraignment, Goodman and the lawyers discussed whether Trump should be subject to a so-called no-contact order restricting his communications with witnesses in the case. Judges routinely impose such orders on defendants awaiting trial, but prosecutors did not seek a no-contact order for Trump. Trump's team vigorously opposed the idea, noting that Nauta and some witnesses work at Mar-a-Lago and need to communicate regularly with Trump.

Goodman initially indicated he was inclined to impose a no-contact order, but after back-and-forth with both sides, Goodman dialed back that proposal, and simply ordered Trump not to discuss the case outside the presence of counsel with a list of witnesses that prosecutors will submit to the court.

No future court dates were set for Trump, and Goodman noted at the end of the hearing that his brief involvement with the case was likely over. The case has been assigned to Judge Aileen Cannon, a Trump appointee who ruled favorably for him during an earlier phase of the documents investigation, though those rulings were overturned on appeal.

The arraignment will trigger a lengthy pretrial process as prosecutors and Trump's lawyers attempt to hammer out agreements on evidence in the case and schedule a trial.

In the hours leading up to Trump's arrival, a familiar tension was in the air on a hot, humid day in Miami. Security forces and police ramped up patrols around the courthouse and warned against street clashes and other potential dangers. The charged atmosphere was reminiscent of Trump's first arraignment at a courthouse in Lower Manhattan in April.

Reporters and interested members of the public began lining up at the Miami courthouse on Monday night hoping for a seat in the small courtroom where Trump's arraignment would occur. The court set up extra "overflow" rooms and adopted new, one-day restrictions on journalists carrying electronics. No cameras are allowed inside.

Trump has spent the days since last week's indictment assailing the Justice Department and seeking, despite the evidence arrayed against him, to cast the prosecution as politically motivated. He has lobbed particularly pointed invective at Smith, who is leading the investigation.

> **"They taint everything that they touch, including our country, which is rapidly going to HELL!"**
>
> — **Donald Trump** on Truth Social

That continued Tuesday, with Trump suggesting on social media — also without evidence — that investigators planted evidence in his home, a case he and his lawyers have notably refused to make in a courtroom.

"They taint everything that they touch, including our country, which is rapidly going to HELL!" Trump wrote on Truth Social on Tuesday morning.

Trump's odyssey through the legal system is only beginning. The New York hush money case is slated for trial in March 2024, and he faces two other investigations into his role in attempting to subvert the 2020 election. Even as Trump's arraignment was wrapping up, a federal judge in New York agreed to permit E. Jean Carroll — who is suing Trump over an alleged sexual assault — to expand her case against him.

In the classified documents case, Smith has said he hopes to pursue a "speedy trial," but the complexity of the evidence involved — much of which remains classified — may lengthen the time it takes to resolve pretrial matters.

Among the issues still in flux: Trump's own legal team. While he was accompanied Tuesday by Blanche and Kise, he's been actively looking for additional attorneys since the core of his team handling the documents case resigned. Tim Parlatore quit the team last month amid internal dispute, and two other lawyers —John Rowley and Jim Trusty — resigned around the time of Trump's indictment.

Outside the courthouse, the tension and theatricality built slowly throughout the day. Armed security personnel were visible all around the courthouse. There were several hundred protesters at the courthouse when Trump arrived, many expressing their support for the former president.

Trump supporters wore shirts backing Trump, saying that he will "give you a war you can't believe" or "stomp my flag and I'll stomp your face." There were also people carrying signs reading "lock him up" and "Orange is the new Trump," a reference to the memoir and Netflix show about a woman who goes to federal prison. At one point, a man draped in an American flag carried a large stick with a pig's head impaled on it. Throughout the day, people drove past the courthouse honking horns.

The demonstrations were largely peaceful, with many shouting "We Want Trump" when the former president's motorcade arrived at the courthouse.

A Trump impersonator showed up, as did a man in an Uncle Sam getup who rode around on a hover board, singing remade lyrics to Elton John's hit "Rocketman" saying that President Joe Biden is a "puppet man."

Josh Gerstein and Andrew Atterbury reported from Miami. Kyle Cheney reported from Washington, D.C. Meridith McGraw contributed to this report.

Number of GOP senators not endorsing Trump rising

REPUBLICANS from Page 1

"An official endorsement, I have not. I've been pretty clear I'd like to see someone articulate for the Republican Party what we're going to do policy-wise," added Braun, who's running for governor of his bright-red state. He said he wouldn't endorse one of Trump's rivals and is waiting for the former president's approach to "crystallize."

In total, the number of senators who say they want someone other than Trump or who voted to bar him from office is equal to the number endorsing him. And while the primary won't be won in the Senate GOP, Trump's critics there represent a considerable swath of the party base, including donors, that wants a different standard-bearer to take on President Joe Biden.

Take senior Indiana Sen. Todd Young , who won his seat in 2016 with Trump on the ballot and then ran the Senate GOP's campaign arm alongside Trump in 2020. He has exactly one criteria in mind for a GOP presidential endorsement: "Whoever can beat Trump."

Inside the Senate, the former president has already lost the Dakotas. Both South Dakota senators, Minority Whip John Thune and Mike Rounds, are backing Sen. Tim Scott of South Carolina. Thune's the highest-ranking Republican lawmaker who has endorsed in the primary.

And the two North Dakota senators, Kevin Cramer and John Hoeven, are supporting North Dakota Gov. Doug Burgum . Hoeven didn't explicitly connect that to worries about Trump's electability, saying instead that Burgum is "a success at everything he does."

"Our conference consists of smart people who realize that any nominee other than Trump is likely to win. And Trump is at best a 50/50 shot and most likely, less than 50/50. So, in their heart of hearts, they would love to see someone besides Trump be our nominee," said Mitt Romney of Utah , the only GOP senator who voted to convict Trump in both impeachment trials.

FRANCIS CHUNG/POLITICO

"Our conference consists of smart people who realize that any nominee other than Trump is likely to win," said Sen. Mitt Romney. "In their heart of hearts, they would love to see someone besides Trump be our nominee."

On the other hand, Romney acknowledged, Senate Republicans "also recognize he's overwhelmingly the favorite [in the primary]. And there's no upside in going out and saying that."

Reflecting that attitude, Senate Minority Leader Mitch McConnell declined to say Tuesday whether he would support Trump if he earned the Republican nomination, or whether Trump did anything wrong: "I simply am not going to start commenting on the various candidates we have for president."

The Kentuckian has not spoken to Trump since the 2021 Capitol riot. Former whip and Sen. John Cornyn (R-Texas), who's close to McConnell, says the GOP needs to "do better" than Trump in order to win a general election.

Sen. Cynthia Lummis of Wyoming chose her words carefully, saying she wants Scott's forward-looking message to be "elevated" in the primary and that Florida Gov. Ron DeSantis , who has no Senate endorsements, "has hit upon issues people want addressed in this election cycle."

Lummis doesn't plan to endorse yet, but she's attaching a warning label to Trump's potential nomination.

"If Trump is our nominee, I'll support him. But it's so difficult to talk about him in the context of issues because he's so wrapped up in legal proceedings," she concluded, adding that her constituents don't think much of the 37-count federal indictment.

Many Senate Republicans, even those not backing Trump, railed against the DOJ charging him with improperly retaining highly sensitive materials. But that's not a unanimous view, and a significant number of GOP senators see Special Counsel Jack Smith's case as damaging.

West Virginia Sen. Shelley Moore Capito , the No. 5 GOP leader, said that post-indictment, Trump's looking at general-election prospects that could differ from his pole position in the primary: "He seems to have hardened, at least early on, his support in the primary. I don't know if it stays or not."

"These are serious charges. And they need to be taken seriously by everybody. And as these things unfold, they tend to get bigger because there's additive information," Capito said of the most recent indictment. Politically, she added, "I think it'll be difficult for him."

Senate Republicans did not talk about the indictment at their party lunch on Tuesday, according to two people familiar with the discussion who spoke on condition of anonymity.

Just two of the GOP senators who objected to certifying President Joe Biden's 2020 victory, Tommy Tuberville of Alabama and Cindy Hyde-Smith of Mississippi, are officially backing Trump. The other Trump backers are mostly first-termers, save for Sens. Lindsey Graham of South Carolina and Steve Daines of Montana, who chairs the conference's campaign arm this election cycle. Trump's base of support on Capitol Hill remains the House, where he's racked up endorsements and seen just a handful of defections.

Tuberville conceded Senate Republicans are divided on Trump 2024 and said "that's fine" — for now.

"When all is said and done, if we're not all on the same page, we can't win. And you got people that dislike President Trump for this and that," Tuberville said. "We all gotta forget the past experiences and go on."

Another Republican senator who objected to Biden's certification, John Kennedy of Louisiana, said he's not even talking about the primary for the moment: "I don't have anything for you on that." Sen. Ted Cruz of Texas , a leader of those objection efforts, said simply: "I'm going to stay out of it."

Yet no Republican senator who voted to convict Trump at his impeachment trials is offering an endorsement yet either, including Sens. Susan Collins of Maine and Lisa Murkowski of Alaska. Romney said that at some point he "may endorse someone, but at this stage it would be the kiss of death."

Describing his ideal candidate, Sen. Bill Cassidy of Louisiana said simply: "One who can beat Biden." And Trump, he added, cannot.

"He loses in four of the five swing states. His endorsed candidates all lost, and plausibly they lose because of his endorsement," Cassidy said. "I've been trained as a physician to see things as they are, not as I wish them to be. And that seems to be as they are."

Katherine Tully-McManus *contributed to this report.*

Tuberville hold upsets Marines' planned change of command

BY LARA SELIGMAN, CONNOR O'BRIEN AND JOE GOULD

The Marine Corps could be without a Senate-confirmed leader in less than a month, thanks to a Republican senator's blockade of hundreds of senior military promotions.

The service is already making preparations for this scenario. In a highly unusual move, Commandant Gen. David Berger sent out invitations to a "relinquishment of office ceremony" scheduled for July 10. POLITICO obtained a copy of the invitation.

This is a departure from tradition: Typically, top military officials host a "change of responsibility" ceremony when a new member of the Joint Chiefs takes over. Berger's last day on the job is July 10, and by law, a military service chief's four-year tour cannot be extended unless the country is in a state of war or a national emergency.

Rather than passing the torch to a new commandant, Gen. Eric Smith, President Joe Biden's nominee to replace Berger, will instead lead the Corps on a temporary basis. The Marine Corps did not immediately respond to a request for comment on the service's plans.

The open spot at the top of the Marine Corps would be the most senior example of what the Pentagon warns will be a cascading series of vacancies in the military services and major commands due to a blockade of top officers by Sen. Tommy Tuberville.

The Alabama Republican put a blanket hold on nominees this spring over the Pentagon's new policy of reimbursing troops and their family members if they travel to receive an abortion. Democrats, top Pentagon officials and even some Republicans have criticized the move, warning that senior positions, including several looming Joint Chiefs vacancies, could go unfilled if the dispute drags on.

Smith appeared before the Senate Armed Services Committee for his confirmation hearing on Tuesday. But Tuberville's hold means Smith can't be confirmed before Berger leaves.

During the hearing, Smith expressed concern about the impact of Tuberville's hold on military readiness.

"It certainly compromises our ability to be most ready," Smith said, noting that the effect will be felt across the ranks of the service, from the leadership of Marine units to the promotions of young lieutenant colonels.

Tuberville's move comes during a consequential period for the Joint Chiefs, as more than half of the members are slated to end their four-year terms this year. Berger will lead the way when he retires next month, and Smith, currently the service's No. 2 officer, will take over for Berger under Title 10, which lays out the line of succession for the armed forces.

Smith, the assistant commandant of the Marine Corps, would retain his current title while performing the role of commandant. But he will need to be careful not to presume confirmation, for example by issuing the commandant's "planning guidance," a document put forth by every new commandant, before he is confirmed.

If Tuberville's hold isn't unresolved, the backlog could soon cause delays for the top picks to lead the Navy, Air Force and Army, along with the Joint Chiefs chair.

Biden has already nominated Air Force Chief of Staff Gen. C.Q. Brown to replace Gen. Mark Milley as Joint Chiefs chair. He has also tapped Gen. Randy George to take over as Army chief of staff from retiring Gen. James McConville. Biden has yet to nominate leaders for the Navy and Air Force.

The impasse seemed to worsen last week, when Tuberville said he won't use annual defense legislation to seek a vote on the issue. Instead, he wants a standalone vote on the abortion travel policy, which Majority Leader Chuck Schumer may not want to provide.

Taking the National Defense Authorization Act off the table removes a potential relief valve for resolving the dispute. The Senate Armed Services Committee, on which Tuberville serves, will consider the bill this month and could have debated an amendment to block the policies then.

"I would be afraid that it would take longer to get done. It would put confusion in it," Tuberville said of the defense bill. "The way our world is right now, we need a clean NDAA. Get it done and get it on the floor."

Tuberville himself can't prevent any single nominee from being confirmed. Schumer could make procedural maneuvers to get around Tuberville's hold, but the large number of promotions makes that impractical. Holding individual votes could also validate Tuberville's claim that he isn't creating gridlock.

Debt deal paves the way for the next financial mess

Ratings cut could hurt confidence in U.S. debt market, damage stocks and tighten credit

ALEX BRANDON/AP

Fitch Ratings, one of three major credit agencies, has already put the U.S. on notice that its top-tier rating could be dented, even after President Joe Biden and House Speaker Kevin McCarthy reached a deal to suspend the debt limit until 2025, citing repeated stalemates over raising the debt ceiling.

BY SAM SUTTON

The debt ceiling fight is over, but the battle that pushed the U.S. to the brink of default could still result in a credit downgrade that would inject new uncertainty into a fragile economy.

Fitch Ratings, one of three major credit agencies, has already put the U.S. on notice that its top-tier rating could be dented even after President Joe Biden and House Speaker Kevin McCarthy reached a deal to suspend the debt limit until 2025.

Now, Fitch says it isn't convinced that policymakers can set the nation's finances on a sustainable path because of the polarization roiling U.S. politics, suggesting that a downgrade on Treasury securities could be on the way — the second in U.S. history.

"It's not just the debt limit," James McCormack, Fitch Ratings' managing director and global head of sovereign and supranational ratings, said in an interview. "What we've seen in the United States is a steady deterioration in governance."

McCormack says his team has spoken with officials at Treasury, on Capitol Hill and at Washington think tanks as they weigh a decision that's expected in the coming months. "That is typically part of our review process," he said. "It's not simply a desk analysis that we do without speaking with parties in D.C."

A downgrade could shake confidence in the world's premier debt market. In the immediate term, it could also send tremors through stocks and accelerate the tightening of credit conditions. If demand for Treasury securities slackens over time, it could chill how state and local governments finance their budgets, according to Wall Street economists, investors and research groups.

There's little doubt Treasury securities will remain the bedrock of the global financial system, but a downgrade would be a body blow to the U.S.' reputation. And while the country maintains exceptional advantages with an international reserve currency and easy access to borrowing, "ultimately some of those things will come down to judgments on our part because not all of this can be easily measured," McCormack said.

White House and Treasury officials bristle at the prospect of a Fitch downgrade, insisting that Biden and McCarthy's deal offers clear proof the U.S.' political leadership is committed to meeting the country's obligations.

"A broad bipartisan majority of both chambers of Congress passed a strong fiscally responsible proposal that reduces the deficit by more than $1 trillion and ensures the U.S. government will continue to meet all of our commitments," Treasury spokesperson Lily Adams said in a statement. "The Treasury market remains the safest, deepest and most liquid market in the world."

Nevertheless, Fitch's threat underscores how an erosion of confidence in American institutions and leadership can have lasting consequences for its finances. Fitch's AAA rating on U.S. debt has helped keep the country's borrowing costs among the world's lowest.

"Investors like to have some sense of certainty," California Rep. Maxine Waters, the ranking Democrat on the House Financial Services Committee and a veteran of debt limit fights, told POLITICO.

While Waters pushed back on the case for a downgrade, she said, "Fitch and others would have some things to be concerned about" if painful clashes over the government's finances continue over the next two years.

That's likely to be the case. Far-right Republicans rebelled against McCarthy's debt limit deal, arguing that it failed to slash enough from social spending and other government programs. The GOP's fracturing over the agreement threatened to slow Congress' ability to start work on key appropriations bills — raising the danger of a government shutdown later this year.

Meanwhile, House Budget Committee's top Democrat, Brendan Boyle of Pennsylvania, and Senate Majority Whip Dick Durbin introduced a bill last week that would defang lawmakers' ability to leverage the debt limit to force budget concessions.

Stocks tanked when the U.S. received its first-ever downgrade, from S&P, in 2011, which was announced after President Barack Obama agreed to an eleventh-hour deal with GOP leaders to stave off default. Money poured into Treasury securities afterward as investors sought a haven for their assets. Still, if Fitch follows through, it could create headaches for any investment fund, pension fund or other institution whose portfolios must hold top-rated debt.

The scope and severity of those risks are difficult to project or quantify, but "none of them are really good," said Shai Akabas, director of economic policy at the Bipartisan Policy Center.

"It's one more step in a direction that could cause leaders over time to feel like the U.S. is not quite the bulwark that we'd have been made out to be," he said.

The safety of Treasury securities is integral to the dollar's dominance in global trade and financial markets. Foreign central banks have increasingly diversified the currencies they hold in reserve over the past two decades, fueling speculation that the greenback has lost some luster.

Even if that's true, there's no real alternative. The markets for top-rated debt issued by stable government borrowers like the European Union and Japan aren't big enough to meet the demands of global investors and central bankers. And China's strict capital controls pose major obstacles to its currency supplanting the dollar.

> **"It's not just the debt limit. What we've seen in the United States is a steady deterioration in governance."**
>
> **– James McCormack** Managing director Fitch Ratings

Some market participants believe those strengths would provide the ballast to steady any volatility in the immediate aftermath of a downgrade.

"If only Fitch were to downgrade the U.S., I would suspect a very muted reaction by both the equity and bond markets," said Mohamed El-Erian, president of Queens' College, Cambridge and chief economic adviser at Allianz. "The spillover onto corporate and housing costs would not be material."

Yet for any investors wary about the dollar's future, a downgrade would amplify those concerns. It would be among "the tiny little baby steps that lead to the kind of issues that people are so concerned about," said Richard Bernstein, a former chief investment strategist at Merrill Lynch who now leads his own firm.

Said Goldman Sachs Research's chief U.S. political economist Alec Phillips: "A ratings downgrade is more of a symptom of bigger issues than it is something that would necessarily drive a market reaction."

It could also create problems for any public institution whose creditworthiness is linked to Treasuries. Moody's — which has already signaled it wouldn't downgrade the U.S. unless it defaults — noted that ratings for everything from Amtrak to Fannie Mae would be affected if the U.S. were ever knocked off its perch.

It could also pose challenges to state and municipal governments. While municipal bond experts said the immediate impact on borrowing costs for top-rated public entities might be minimal at first, the higher costs incurred by Treasury if demand for U.S. debt starts to cool even slightly would inevitably spill into the public financing.

"The bigger challenge would be how worsening federal deficits — because of higher borrowing costs — would make it harder to send money downstream to the states and local governments," said Matt Fabian, who leads the market and credit research team at Municipal Market Analytics. "If Congress is forced to remove some of the stimulus by closing some of those deficits, it implies slower economic growth."

Conservative rebels with a cause confront speaker

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unity. Some in the GOP rank and file fear the right's demands won't end with spending cuts, letting the same group of McCarthy critics who dragged out the January speaker's race assert control over the rest of his time with the gavel.

"The Freedom Caucus is a diverse group, and we have diverse opinions about ways to implement a conservative agenda," one of the members, Virginia Rep. Ben Cline, said in a brief interview after Monday night's meeting, adding that the next phase of action remains under discussion both within the group and with GOP leaders.

They'll need to decide soon: McCarthy's detractors have agreed to halt their blockade of the floor only for the next few pieces of legislation that come up, including Georgia Rep. Andrew Clyde's attempt to roll back a Biden regulation on guns equipped with pistol braces.

Rep. Chip Roy (R-Texas) said unsticking Clyde's measure was the rebel group's first step, "and now we're figuring out what's next." Notably, it was still far from clear that Clyde's bill would have the votes to pass the House later Tuesday, according to a GOP lawmaker who is whipping the bill.

The biggest thing the protesters clearly agree on is the need to drive down spending below what McCarthy and President Joe Biden agreed to. They've already persuaded GOP leaders to essentially renege on last month's bipartisan debt deal, instead pushing new funding levels that Democrats would never accept and forcing another standoff in the fall. Some, like Rep. Ralph Norman (R-S.C.), won't rule out forcing a shutdown to get what they want.

"We're looking at everything, that's not here yet," Norman said when asked whether he would be willing to hold up funding after the September deadline.

The group's initial win was announced Monday night, when Appropriations Chair Kay Granger (R-Texas) declared that Republicans would cut $130 billion from this year's spending bills by drafting to pre-pandemic levels — well below the agreement McCarthy reached with the White House.

FRANCIS CHUNG/POLITICO

Speaker Kevin McCarthy's skeptics on the right are happy to use hardball tactics in their slim majority, even if it hurts the GOP's priorities, yet their lack of clear demands make it nearly impossible for leadership to satisfy them.

That was what Freedom Caucus members, including many of those who've been holding up the House floor, specifically demanded.

But some of those conservatives are gearing up to push their conference to go a step further, signaling they want spending bills below — not at — the fiscal 2022 year levels. And the hard-liners have no interest in Congress' favorite accounting ploys, asserting they don't want to count clawing back old funds as spending cuts.

"One of the key structural things we've got to work through is whether you can achieve 2022 spending levels through recessions," said Rep. Matt Gaetz (R-Fla.), referring to those clawbacks. "A lot of us who are concerned about spending worry that that is a budgetary gimmick."

While some of his colleagues praised Granger's move, Gaetz said he still had doubts: "I worry that [her] statement doesn't clearly reflect compliance with the January agreement."

As they demand more involvement in spending decisions, conservatives are in essence seeking a far larger concession from McCarthy — to revisit the deals cut when he became speaker with his detractors, many of whom are leading the latest protest.

The hard-liner holdouts argue, for instance, that McCarthy failed to closely consult with them on the debt limit bill — and raised concerns about the other big pieces of legislation that the California Republican will have to negotiate with Democrats. That includes some of the year's biggest agenda items, including the 2023 farm bill, a mammoth defense policy package and an end-of-the-year surveillance program reauthorization.

While those issues do involve spending, they also encompass much thornier questions, such as work requirements, farm subsidies, Pentagon powers and the GOP's increasingly toxic relationship with the FBI.

The talks between McCarthy and his right flank are being closely watched by the rest of the Republican Conference. Already, intraparty tensions have spiked as many Republicans watch a fraction of their most conservative colleagues largely dictate the floor schedule — and seemingly increase their demands by the day.

There's also consternation about the idea that Republicans reached a "power-sharing" agreement as part of the speaker's race. It's a term used by Gaetz and other conservatives that McCarthy himself has questioned.

"You have a conference of 222 people, and they would all be well advised to remember that they are one of [222]. ... The majority was delivered by people in swing districts. People who represent areas Joe Biden won," said Rep. Mike Lawler (R-N.Y.), adding that conservatives "didn't win the majority."

And McCarthy allies warn that even if the group makes good on its threat of a repeat performance by sinking further bills amid causing headaches for leadership, conservatives are likely to confront even more intra-GOP frustration with their tactics.

"You can only pull the pin so many times," said Rep. Kelly Armstrong (R-N.D.). "This isn't just going to be leadership pushing back if this continues to go on ... rank and file are going to go crazy."

***Olivia Beavers** contributed to this report.*

POLITICO
Congress Minutes

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J.D. Vance plans to put holds on all **Justice Department nominees**, slowing the confirmation process amid **Donald Trump's federal indictment**.

FRANCIS CHUNG/POLITICO

No Labels has been flirting openly with recruiting a moderate superstar such as Joe Manchin to lead a third-party ticket in the 2024 presidential election. Such a gambit could dramatically scramble the presidential race, and Democrats fear it could siphon votes from their side. The West Virginia senator has not said whether he will run for reelection next year.

No Labels: Third party bid unlikely if DeSantis wins

The fact that the move hinges on Trump's fate shows group's calculus is not tied to ideology

BY SHIA KAPOS

CHICAGO – The centrist political organization No Labels has defended its third-party presidential bid by insisting there's a broad voter appetite for a candidate running in the political middle.

But the group said it would likely exit the race entirely if Donald Trump doesn't win the GOP nomination — even as more conservative candidates, such as Florida Gov. Ron DeSantis, run to Trump's right.

CEO Nancy Jacobson, who was in Chicago in early June to talk to donors, and another senior member of the group spoke about their plans at length during an interview with POLITICO.

No Labels has been flirting openly with recruiting a moderate superstar such as Sen. Joe Manchin (D-W.Va.) to lead its ticket. Such a gambit could dramatically scramble the presidential race, and Democrats fear it could siphon votes from their side.

"No Labels isn't going to be in the business of making subjective judgments between the various leaders of both parties. What we are going to do is look pretty relentlessly at the data," said Ryan Clancy, chief strategist for No Labels, during the Zoom interview.

That No Labels is hinging its third-party effort in part on Trump's fate underscores that the group's calculus is not tied tightly to ideological considerations. DeSantis slammed the recent bipartisan debt ceiling deal — something No Labels praised.

"You can't say enough good things about what happened here," Jacobson said about the debt ceiling deal between President Joe Biden and House Speaker Kevin McCarthy. But she added, "It's just a start."

No Labels says it is looking squarely at voter attitudes in its consideration for a bid.

"From the polling and modeling that we see today, if it's any Republican other than Trump, those voters probably" back the GOP nominee, Clancy said. He mentioned DeSantis, South Carolina Sen. Tim Scott or former Ambassador to the U.N. Nikki Haley as broadly acceptable alternatives for some 20 million GOP voters.

"That [would start] to close off the gap or that opening that we see today for the independent ticket," Clancy said.

No Labels will be polling "to see whether we think there continues to be an opening" for an independent presidential ticket, Jacobson said, "and we'll see how that registers with the voters."

> **"No Labels isn't going to be in the business of making subjective judgments between the various leaders of both parties. What we are going to do is look pretty relentlessly at the data."**
>
> **– Ryan Clancy** Chief strategist for No Labels

Jacobson said the organization isn't focused on who its nominee will be or what the nomination process will look like. No Labels is wrapped up in laying the groundwork to gain access to the ballot in key states and writing up what it calls its "Common Sense" policy agenda.

No Labels is also planning an April convention in Dallas — an important decision point for the group's possible third-party push. Who the GOP nominee will be could be clear as early as Super Tuesday in March. No Labels plans to keep that convention date even if it exits the race altogether.

On the idea that No Labels could play spoiler and ultimately help Trump, Jacobson pushed back. She called Jill Stein a "fringe" candidate who "of course" pulled Democrats with her Green Party bid in 2016.

"What we're proposing here is more of an independent-moderate, like Ross Perot [who] takes from both" parties, said Jacobson, referring to the billionaire who ran an independent campaign in 1992.

No Labels hasn't formally identified whom it would like to recruit to head its ticket, but Jacobson says whoever it is will be a candidate who mirrors Perot.

Manchin is a co-chair of No Labels but hasn't yet committed to the group as a candidate. He must first decide whether he'll take on a tough reelection bid in his Trump country state.

The organization is starting the ballot qualification process in Colorado and Arizona, but the two dismissed criticism that its initiative is only targeting states that Biden needs to win.

"It just so happens that those states let you start early," said Jacobson. "Over the spring and into the summer, we'll be dropping into a bunch of deep-red states. So we'll probably start getting it [criticism] from the Republicans, too."

The political organization plans to release its "Common Sense" policy agenda after July 4 — a reference to Thomas Paine's revolutionary era pamphlet.

But the agenda won't focus on the most hot-button issue: abortion.

"No Labels wants to focus initially on the broadest group of ideas where we know there is the most agreement," Clancy said, adding that it will more likely focus first on immigration and border security issues.

Taking a stand on abortion would come later in the process, he said. "It's not a hedge. It's not a dodge. This isn't a party platform. If you look back at [Newt Gingrich's] Contract for America, that didn't have a perspective on every single issue in the country."

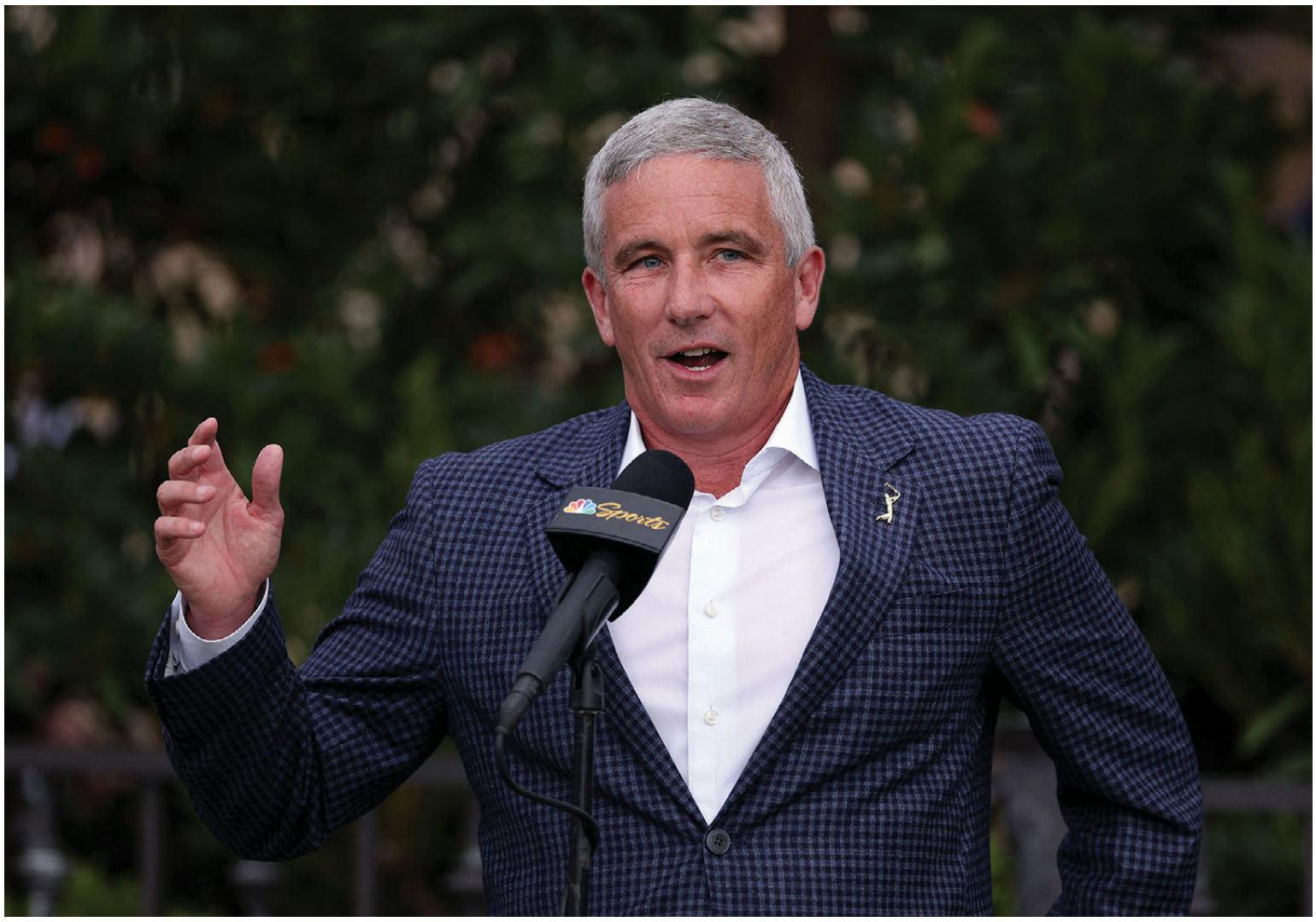
No Labels' greatest challenge, though, is "capturing the public's perception," acknowledges Clancy.

"In our living memory, independent tickets don't succeed for any number of reasons," he said. "So you're still going to run into the barrier where people will say, 'Yeah, I'm interested in that idea, but I don't think it's ever going to work.'"

PGA to senators: You didn't help us 'fend off' Saudis

PGA Commissioner Monahan said he pursued deal because lawmakers didn't help

BY CAITLIN OPRYSKO AND HAILEY FUCHS



RICHARD HEATHCOTE/GETTY IMAGES

"While we are grateful for the written declarations of support we received from certain members," PGA Tour Commissioner Jay Monahan wrote lawmakers, "we were largely left on our own to fend off the attacks, ostensibly due to the United States' complex ... alliance with ... Saudi Arabia."

PGA Tour Commissioner Jay Monahan defended the decision to join forces with the Saudi-backed rival league LIV Golf in a letter to Congress, saying inaction from lawmakers left him little other choice.

"During this intense battle, we met with several Members of Congress and policy experts to discuss the PIF's attempt to take over the game of golf in the United States, and suggested ways that Congress could support us in these efforts," Monahan told senators in a letter obtained by POLITICO, referring to the Saudi sovereign wealth fund, the Public Investment Fund.

"While we are grateful for the written declarations of support we received from certain members, we were largely left on our own to fend off the attacks, ostensibly due to the United States' complex geopolitical alliance with the Kingdom of Saudi Arabia. This left the very real prospect of another decade of expensive and distracting litigation and the PGA TOUR's long-term existence under threat."

Monahan did not specify what type of help he was hoping to receive from lawmakers, but some critics in Congress used their position to call for a federal probe into LIV Golf's dealings in the U.S.

Last summer, Rep. Chip Roy (R-Texas), a vocal LIV critic, wrote to Attorney General Merrick Garland to call for an investigation into whether the Saudi league had potentially violated the law by failing to register as a foreign agent of the Kingdom.

The letter, dated June 9, was a volley in a war of words between the PGA and a group of lawmakers on the Hill who have criticized the tour and Monahan specifically for going back on his criticism of the Saudis.

Monahan attempted to tamp down that bipartisan fury by framing the deal as a necessary business decision while downplaying Saudi financiers' involvement with day-to-day management of the new entity.

"Let me be clear that despite numerous reports, this arrangement is not a merger between the PGA TOUR, LIV Golf, and the PIF," Monahan wrote.

The PGA Tour, he said, "will at all times hold the majority of the Board seats and be in control of this new entity, regardless of the size of PIF's investment." Though Yasir bin Othman Al-Rumayyan, PIF's governor, will serve as chair of the new entity, Monahan maintained that PIF "will be a minority investor in the new commercial entity, while the PGA TOUR will be the majority equity investor." He compared the arrangement with that of other American companies in which PIF has invested.

The letter appears not to have assuaged all concerns about the forthcoming union — Sen. Richard Blumenthal (D-Conn.), chair of a Homeland Security investigative subcommittee, announced a new probe into the deal, demanding scores of records from leaders at both the PGA Tour and the Public Investment Fund.

And the deal is sure to face its own antitrust scrutiny from the Biden administration.

"We are confident that once Congress learns more about how the PGA TOUR will control this new venture, they will understand the opportunities this will create for our players, our communities and our sport, all while protecting an American golf institution," the PGA Tour said in a statement to POLITICO.

Last week's announcement by LIV and the PGA Tour sent shock waves through Washington, where a small army of lobbying shops and PR entities had been fighting for months over claims that LIV was a Saudi attempt to "sportswash" its poor human rights record on one side, and that the PGA Tour was a monopolistic enterprise on the other.

Monahan acknowledged his role in leveling such accusations against LIV in the past.

"Over the past two years, the PGA TOUR has fought an intense and highly publicized battle as the Saudi Arabian PIF-backed LIV golf league attempted to 'buy' PGA TOUR players and take over the game of golf in the United States and beyond, creating a fractured golf ecosystem and fomenting a heated divisiveness into the game," he said.

Litigation between the leagues drained "significant funds" from the PGA Tour, which operates as a not-for-profit entity, and diverted them "away from our core mission to benefit our players and generate charity," he argued.

Monahan concluded by pushing back once more on criticism that Saudi Arabia had essentially "bought" the game of golf, a defense made more tricky days before the deal was announced by a pair of PR operatives registering as federal foreign agents for their work for LIV. Still, he argued that the Saudis' infusion of resources will "protect the game."

"Rather than a foreign funded entity taking over an American sport, the end result is that the PIF has agreed to work within the existing golf ecosystem as a minority investor with the PGA TOUR in full control," he said.

Compromise preserves Obamacare's preventive care mandate

BY ALICE MIRANDA OLLSTEIN

The Texas conservatives challenging Obamacare's preventive care mandate have reached a tentative compromise with the Justice Department that preserves free coverage for a range of services — from syphilis tests to depression screenings.

The agreement, which still needs approval from the 5th U.S. Circuit Court of Appeals, keeps coverage intact nationwide while the case proceeds. The Biden administration, in exchange, pledged not to enforce the mandate to cover HIV prevention drugs and other preventive care services against the employers and individual workers who sued claiming that doing so violated their religious beliefs. This means that even if the Affordable Care Act rules are upheld on appeal, the government can't penalize the challengers for refusing to cover required services.

The same appeals court ruled earlier this year to temporarily maintain Obamacare's rules for no-cost coverage of preventive care, which apply to people who have health insurance from their employer or purchase plans on the individual market — hitting pause on a lower court order that the Biden administration warned would threaten access to a wide range of services for millions of people.

Both sides in the case submitted a draft agreement to the court on Tuesday stipulating that the individual Texas businesses and workers that sued over the mandate should be shielded while the case makes its way through the courts, but that the rules should still apply to everyone else with employer-sponsored insurance and Obamacare's individual market.

Disruptions to the insurance market could still be on the horizon.

The challengers, represented by Texas abortion ban architect Jonathan Mitchell, are seeking to strike down the preventive care mandate entirely, arguing that because the United States Preventive Services Task Force is made up of outside experts who were neither Senate-confirmed nor chosen by a Senate-confirmed agency head, its recommendations of what services should be covered by insurance must be "set aside" and can't be enforced.

Their suit also claims the requirement for insurance to cover the preexposure prophylaxis pill used to prevent transmission of HIV — known as PrEP — violates the religious rights of the challengers. In their legal briefs, they equated covering the highly effective medication with encouraging homosexuality and promiscuity.

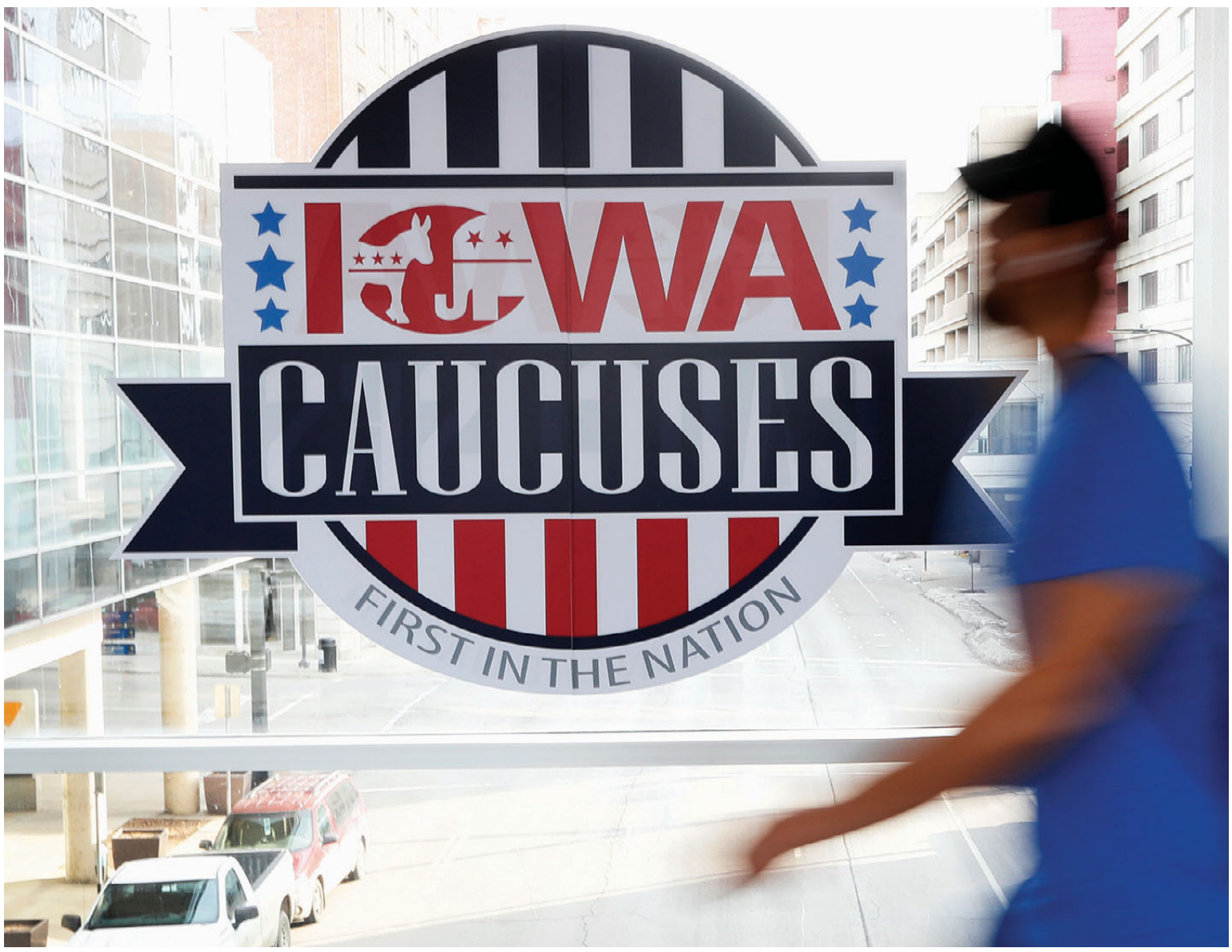
The 5th Circuit heard oral arguments on the case last week, and a ruling is expected in the coming months. An appeal to the U.S. Supreme Court is likely no matter which side prevails.

For now, however, the agreement supersedes Texas District Court Judge Reed O'Connor's nationwide ruling from March striking down all of the decisions made by the United States Preventive Services Task Force since 2010 about what insurers must cover without cost sharing.

When are the Iowa caucuses? That's a good question.

The jockeying among states to be first could have big implications for presidential race

BY STEVEN SHEPARD



CHARLIE NEIBERGALL/AP

In 2020, the Iowa caucuses were held on Feb. 3, just a month before Super Tuesday. This time, the caucuses could realistically be as early as Jan. 8, though the week after is considered more likely. The Republican National Committee said Iowa's caucuses will still go before New Hampshire.

All of the major candidates are in. The first debate is scheduled. But the date that isn't set? The first Republican nominating contest.

All we know is that it will be in Iowa — but the Democratic National Committee's efforts to overhaul its early state lineup has left the GOP contest in flux.

How early might the voting start? The primaries and caucuses will almost certainly begin weeks earlier than in the previous two elections — and could kick off as soon as early January.

The sequence and length of the four early nominating states — Iowa, New Hampshire, South Carolina and Nevada — matter because a slower drip of primaries and caucuses brought on by an early start could prolong the winnowing process.

We don't yet know who would benefit from lengthier time between contests, but Joe Biden's victory in the South Carolina primary in 2020 led some of his biggest rivals to speedily drop out and endorse him ahead of the Super Tuesday slate of primaries on March 3, just three days later.

The 2024 GOP calendar could slate Super Tuesday as many as four weeks after the South Carolina primary, which could throw a lifeline to candidates who fall flat in the early states.

One of the biggest questions this cycle is around Iowa. In 2020, the Iowa caucuses were held on Feb. 3, just a month before Super Tuesday. This time, the caucuses realistically could be as early as Jan. 8, though the week after is considered more likely. Super Tuesday still wouldn't be until March 5.

The three other early states constitute most of the moving parts. Democrats are attempting to elevate South Carolina's primary to be first in the beginning of February. But New Hampshire state law says their primary has to come before any other primary, which could move the first-in-the-nation primary to January.

"With the Democrats shifting the states in their early window lineup, that's created some pressure on the states in the Republican process — namely Iowa and New Hampshire — to move up to even earlier dates," said Josh Putnam, an expert on delegate-selection rules who runs the website Frontloading HQ. "That's creating a spread that we haven't seen in the last couple of cycles, when the national parties were kind of on the same page."

The Republican National Committee said Iowa's caucuses still go before New Hampshire. But Republicans are trying to hold their own party-run caucuses, even though the state has a brand-new primary in early February.

The early state calendar is far from settled at this point.

The 2024 Democratic domino effect

Biden and the DNC wanted South Carolina to go first this cycle, in part as a reward for the state that smoothed his path to the nomination in 2020 and but also to address criticism about the lack of diversity in the Iowa and New Hampshire electorates.

In setting its new calendar, the DNC not only gave South Carolina the coveted No. 1 slot — it also set a date for the first Saturday in February: Feb. 3, 2024.

The new DNC calendar designated Nevada and New Hampshire to hold the second and third primaries together on Feb. 6, three days later. But New Hampshire's state law says it must hold the first-in-the-nation primary at least a week before any other state, so South Carolina's pending move to Feb. 3 would likely prompt New Hampshire to go to Jan. 23, the Tuesday of the preceding week.

To accommodate the RNC's set order of states, New Hampshire's shift to Jan. 23 would bounce Iowa up to Jan. 15, the Monday of the week prior.

But none of this is a done deal.

That's partly because it's not clear whether New Hampshire will be satisfied with going after Iowa. Iowa is also making some changes that scramble things: In another response to national Democrats' new rules limiting caucuses, the Iowa state Democratic Party is allowing participants to vote by mail.

To some, that sounds suspiciously like a primary that could prompt New Hampshire to jump in front again — though a new bill signed into law last week by Iowa Gov. Kim Reynolds, a Republican, requires the caucuses to be held in person.

For now, the two states appear at a detente.

"It's a caucus," New Hampshire Gov. Chris Sununu told my colleague Lisa Kashinsky in an interview last week following his announcement he wouldn't run for the GOP presidential nomination. "I've talked to [Reynolds] about that. And she says, 'It's a caucus. You're still the first-in-the-nation primary.' I think we got through that."

The next two states

That leaves South Carolina and Nevada. While South Carolina Democrats are set for Feb. 3, that doesn't mean Republicans have to vote on the same day. That's contributing to the uncertainty around the GOP calendar.

What happens in Nevada might prove crucial. As part of the DNC's efforts to expand access to the nominating process, Nevada's state government established a new presidential primary election on the DNC's suggested date of Feb. 6.

Nevada Republicans would prefer to maintain their party-run caucuses and last week sued the state for an exemption. Even if they don't receive an exemption, Nevada Republicans could declare the primary a nonbinding "beauty contest," with the delegates to the GOP convention up for grabs only in caucuses later in February.

But neither state has set a date for their Republican contests yet, though Nevada Republicans are hoping to hold their caucuses on Feb. 24.

One thing does seem certain: The rapid transition that helped decide the 2020 Democratic nomination isn't going to happen this time.

"You're going to end up with Iowa and New Hampshire in January, South Carolina Republicans either sometime at the end of January or the first half of February, Nevada's caucuses apparently sometime thereafter, and then a gap for a couple of weeks" until Super Tuesday, Putnam said.

> **"With the Democrats shifting the states in their early window lineup, that's created some pressure on the states in the Republican process — namely Iowa and New Hampshire — to move up to even earlier dates."**
>
> — **Josh Putnam** Frontloading HQ

Other calendar questions

While the four early states are still in flux — and there's a possibility Michigan moves up to be the fifth state in late February or early March with a possible hybrid of a primary and caucuses — the next official slate is set on Super Tuesday: March 5. On the GOP side, some 15 states are expected to hold primaries that day, the greatest number on any single day on the 2024 calendar: Alabama, Alaska, Arkansas, California, Colorado, Maine, Massachusetts, Minnesota, North Carolina, Oklahoma, Tennessee, Texas, Utah, Vermont and Virginia.

There will be other big, multi-state primary days on the calendar, too, such as March 19 when Arizona, Florida, Illinois, Kansas and Ohio will vote and likely April 2 for Northeastern states, though efforts to organize a bloc of states to hold primaries on that date are still underway.

Will the nomination still be up for grabs by then? The early states — whenever they vote — will play a pivotal role in the process.

OPINION

The path forward in a post-affirmative action world

This is an opportunity for Biden to ensure that disadvantaged students aren't left out

BY MICHAEL DANNENBERG

AP FILE PHOTO 2012

An alternative path to encourage college acceptance of minority students without affirmative action, the author writes, would be to adopt a set of wealth-conscious alternatives to affirmative action that create preferences for applicants from lower socioeconomic-status families.

It's pretty clear affirmative action as we know it in college admissions is going to be declared unconstitutional.

Justices Clarence Thomas and Samuel Alito are already on record opposing race-based affirmative action. Chief Justice John Roberts famously expressed his aversion to considerations of race calling it "sordid business" that the court should not condone. Justices Neil Gorsuch and Amy Coney Barrett were exceptionally hostile during oral argument on the pending Students for Fair Admissions cases. And 20 years ago, when I was working as an aide defending affirmative action on behalf of the late Sen. Ted Kennedy, my political operative counterpart on the other side in President George W. Bush's White House was none other than Brett Kavanaugh. Throw in that Justice Ketanji Brown Jackson, who was sympathetic during oral argument on the SFFA cases, has recused herself from one of them, and the deck is exceptionally stacked.

We know what a post-affirmative action world with no offsetting policies looks like on campus, and it's not pretty. In California, after Proposition 209 passed in 1996 banning affirmative action in college admissions, Black enrollment at UCLA and the University of California Berkeley dropped to just over 3 percent. Some 10,000 Black and Latino students evaporated from the UC System. Black degree attainment in science, math, engineering and technology majors dropped dramatically. There were sharp declines in racial minority medical school enrollment. The number of historically underrepresented minorities hired to work in state government and local police departments all went down. The list of harmful effects on racial minorities goes on.

Privately, leaders of college associations say their members' instinct is to try to "get around" the expected anti-affirmative action decisions by considering applicant "adversity" as a way to replicate the racial composition they now achieve on campus. It's not an unreasonable position.

An alternative path, however — one that doesn't require judicial subterfuge — is to adopt a set of wealth-conscious alternatives to affirmative action that create preferences for applicants from lower socioeconomic-status families. One such plan drawn from the work of Rick Kahlenberg and others and modeled by Georgetown University's Center on Workforce and Education suggests that such policies can be used to partially claw back, maintain or even slightly exceed current enrollment shares for Hispanic/Latino and Black/African American students.

But there's a catch. And that is that such socio-economic preferences work well only for historically underserved students when all other admissions policies at selective colleges that undermine racial minority enrollment are eliminated. Not incidentally, many of those policies — including legacy and donor admissions — harm middle-income and low-income white students as well as minority applicants.

And therein lies Joe Biden's political opening.

For years, polling has shown that a majority of the country favors ending race-based affirmative action. But the coming decisions present an opportunity — a fork in the road moment when President Biden can choose to lead the country to a vision of a broader, politically stronger Black, Latino and white coalition that supports a more just, decent and compassionate society reflected in higher education — if not beyond.

So when the U.S. Supreme Court issues its expected anti-affirmative action decisions in the coming weeks, Biden's message should note the decisions are the law of the land and that he will respect them, but also convey that he sees them as a call to action to reenergize our efforts to make sure the American dream is available to everyone, whatever their race.

The president would be smart to develop a detailed proposal in support of wealth-based admissions that: (1) provides a plus factor to students from low-wealth households, whatever their race, and increases the percentage of students who would be the first in their family to earn a college degree; and (2) offers direct admission to high school students who meet specific, objective criteria such as GPAs that colleges obtain from school districts without students ever having to submit an application. Similar programs already exist in states such as Texas and Florida, whereby selective public colleges admit all students that rank in the top percentiles of their high school graduating class.

Biden should also deliver change by taking steps to eradicate policies that undermine socioeconomic as well as racial diversity on campus now. The president can and should direct the Justice Department to issue a notice of federal antitrust law nonprosecution for colleges willing to collaborate around a set of voluntary activities that make them more genuinely accessible.

Changes should include ending legacy preferences, donor preferences and binding early decision admissions policies; withdrawing from U.S. News & World Report rankings and others like it that have been more about a college's historical prestige than performance as an engine of socioeconomic mobility; increasing use of need-based financial aid; and engaging in targeted geographic recruitment all aimed at increasing the enrollment of working-class, low-income, and other historically underserved students.

Granted, highfalutin colleges might be reluctant to agree to voluntary changes in current practices that tilt the playing field in favor of the well-to-do. But as leverage to inspire follow-through and participation, the president can direct the Justice Department to consider joining a pending lawsuit against those very colleges for violating their current antitrust exemption predicated on the concept of need-blind admission. Elite colleges are allowed to collaborate on definitions of family financial need for aid purposes as long as they don't consider family ability to pay in admission decisions. But schools like Harvard that make use of donor preferences for the likes of Jared Kushner and legacy preferences are not practicing need-blind admissions; they're need-aware. DOJ joining a pending lawsuit on the issue against those colleges would carry weight in the courts and make it a player in a potential settlement that involves forward-looking policy changes.

To grease a favorable settlement that ends those policies, Biden with a simple executive order can direct agencies outside of the national security realm to provide competitive grant bonuses to colleges that evidence a meaningful commitment to diversity and socioeconomic mobility. And he can provide regulatory relief to colleges that evidence success. Reducing the frequency of accreditation review for those schools would save them millions.

Opponents will argue there aren't enough talented, low-wealth students for elite colleges to draw upon without lowering academic standards. That's a common misconception. The reality is 1 in 5 students who score in the 90th percentile or higher on the SAT and ACT comes from a working-class or low-income family. Nonetheless, Biden should preemptively rebut the argument by calling for marked, annual increases in federal "TRIO" program college preparation and planning services for historically underrepresented students, whatever their race, because there are more talented, working-class students to be garnered. And to be clear — not all students of color are low income and not all white students are high income. If done correctly, this set of policies can create a system that truly helps low-wealth students regardless of race.

Again, and despite recent headlines incorrectly suggesting otherwise, the polling long hasn't been and continues not to be favorable on affirmative action in college admissions. But the Biden administration can reposition itself to be ahead of the curve when the moment of inflection comes. It would be politically wise, as well as morally ethical, to have a responsible, achievable wealth-based alternative admissions policy at the ready for when the U.S. Supreme Court declares race-conscious affirmative action unconstitutional — because that day is coming — and soon.

Michael Dannenberg is a senior fellow with College Promise, a nonprofit advocacy group, and was the late Sen. Ted Kennedy's senior education counsel the last time the U.S. Supreme Court considered two major college affirmative action admission cases.

CARTOON CAROUSEL

JEFF KOTERBA CAGLE CARTOONS

TODAY'S SCHEDULE: RALLY, TOWN HALL, FUNDRAISER, SPEECH... NO, WAIT, THAT'S TOMORROW.....
TODAY: HIRE NEW ATTORNEY, PREPARE A DEFENSE, DENY WRONGDOING, APPEAR IN COURT....
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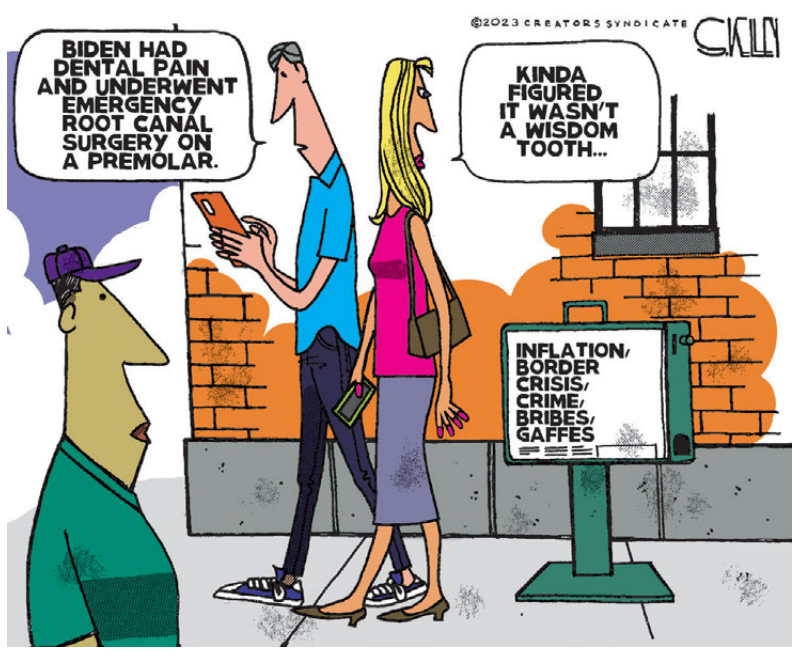
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KINDA FIGURED IT WASN'T A WISDOM TOOTH...
INFLATION, BORDER CRISIS, CRIME, BRIBES, GAFFES

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YOU KNOW, I'M SUDDENLY HAVING A PANG OF CONSCIENCE THAT MAYBE WE SHOULDN'T BE...
IT SURE IS GREAT THAT PRO GOLF HAS BEEN BOUGHT BY THE SAUDI ROYAL FAMILY, ISN'T IT?
OH YES! THIS TOURNAMENT IS GOING TO RULE LIKE A HANDSOME, BENEVOLENT PRINCE!
YAAAAAH!
LOOKS LIKE JIM IS STEPPING AWAY FOR REFRESHMENTS.
COMING UP AFTER THIS: MAJOR LEAGUE BASEBALL BROUGHT TO YOU BY RUSSIAN MERCENARIES 'R' US!
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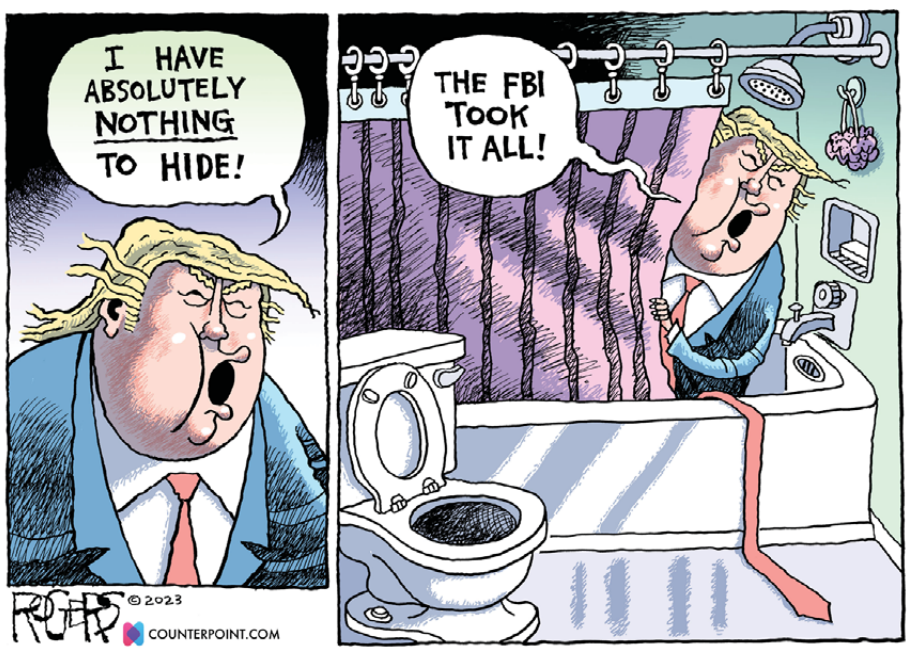
JOHN DARKOW CAGLE CARTOONS

THEY'VE INDICTED AN INNOCENT MAN... -YOU KNOW WHAT TO CHANT!
TRUMP
6/11
2023
COLUMBIA MISSOURIAN CAGECARTOONS
LOCK HER UP! LOCK HER UP! LOCK HER UP!

ROB ROGERS COUNTERPOINT



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Middlemen **don't pay full price** for medicines.

So why do you?

Health insurance companies and their pharmacy benefit managers (PBMs) negotiate discounts on medicines, but they don't have to share those savings with you.

And because PBMs receive fees and rebates tied to the price of medicines, they often deny coverage for lower-priced treatments. This can lead to higher costs for you.

No one should stand between you and your medicine.

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